

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6800
BILL NUMBER: SB 287

NOTE PREPARED: Dec 23, 2010
BILL AMENDED:

SUBJECT: Adult Education.

FIRST AUTHOR: Sen. Tallian
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill permits the State Board of Education to select and contract with an eligible provider to deliver the adult education programs in an area, if the governing body of a school corporation notifies the State Board that it declines to provide adult education services.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The bill should not affect the adult education distribution formula since school corporations would still be the primary provider of services.

Background: Currently, only school corporations are eligible for the \$14 M adult education distribution. The distribution is a reimbursement of instructor salaries and administrative and support costs and may not exceed the actual expenditures. The reimbursement for instructors' salaries is based on a program average of ten eligible adults per unit of instruction. The reimbursement for administrative and support costs is calculated on actual expenditures, but may not exceed 5% of the total appropriation for adult education. If the requested reimbursement exceeds the appropriation, then the distribution is proportionately reduced.

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.